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14 Attorneys for Arthur Duvall, Trustee of the
15 Duvall Living Trust; Sally Duvall, Trustee
16 of the Duvall Living Trust; Sally Duvall,
17 Trustee of the Sally B. Duvall Irrevocable
18 Living Trust; Leon Garicoitz, (former) Trustee
19 of the Garicoitz Family Trust; John Gimple;
20 Diane Hicks; John Hicks;
21 and Resolute Security Group, Inc.

22 UNITED STATES BANKRUPTCY COURT
23 DISTRICT OF NEVADA

24 ***

25 In re:
26 WEALTH STRATEGIES INCOME FUND,
27 LLC,

28 Debtor,

Substantively Consolidated with:

Wealth Strategies Investment Fund, LLC
Wealth Strategies Real Estate Fund, LLC
Wealth Strategies Equity Fund, LLC
Wealth Strategies by Bayliss & McAninch,
Inc.
Wealth Strategies Opportunity Fund, LLC
Wealth Strategies Development, Inc.
Connemara (Dayton), LLC
Connemara Park, LLC

Case No. BK-N-16-50042-GWZ
Chapter 7
(Lead Case)

Case No. 16-50047-gwz
Case No. 16-50048-gwz
Case No. 16-50059-gwz
Case No. 16-50060-gwz
Case No. 16-50081-gwz
Case No. 16-50082-gwz

Adv. P. No. 18-05002-GWZ

**ANSWER TO TRUSTEE'S
COMPLAINT TO AVOID FRAUDULENT
TRANSFERS**

1 Eagle Ridge at Genoa, LLC
Granite Ridge at Markleeville, LLC
2 The Ranch at Gardnerville, LLC
The Ranch at Gardnerville 1, LLC
3 Wealth Strategies Real Estate Income Fund,
4 LLC
Connemara Development, LLC
5 Connemara Equity Partners, LLC
Nevada Gardnerville Ranch, LLC
6 Nevada Gardnerville Ranch Manager, LLC
Wealth Strategies Opportunity Fund II, LLC
7 JGNM14, LLC
8 HGNM14, LLC
FCS14NM, LLC
9 North Ranch Associates 14, LLC
Natrona Investments, LLC
10 Natrona Management, LLC
Mustang Ridge, LLC
11 1830 Parkway, LLC
12 Petram Capital, LLC
Quadruple B, LLC
13 Plantation Group, LLC
Fortune 50 Investors, LLC
14 CC Angels Investments, LLC

15 Debtors

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18 W. DONALD GIESEKE, Chapter 7 Trustee,

19 Plaintiff,

20 Vs.

21 MURRAY ALSTOTT, TRUSTEE OF THE
22 MURRAY ALSTOTT LIVING TRUST,
23 SANDRA ALTHAUS, TRUSTEE OF THE
SANDRA J. ALTHAUS FAMILY TRUST,
24 JUAN ARRAIZ, TRUSTEE OF THE ARRAIZ
FAMILY TRUST, DOROTHY ARRAIZ,
25 TRUSTEE OF THE ARRAIZ FAMILY
TRUST, RON BOWMAN, LINDA
26 BOWMAN, PATRICIA BURGER, TRUSTEE
OF THE BURGER FAMLY TRUST,
27 WILLIAM BURGER, TRUSTEE OF THE
BURGER FAMILY TRUST, DAWN
28 GRABOWSKI, TRUSTEE OF THE DAVID A

1 CABLE LIVING TUST, CAPITAL
2 MEDICAL DEVELOPMENT, LLC,
3 VERONIQUE CHACON AKA VERONIQUE
4 CHACON-GUYOT, EUGENE CHANEY,
TRUSTEE OF THE EUGENE CHANEY
IRREVOCABLE INSURANCE TRUST, et al.,

5 Defendants.

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8 Defendants ARTHUR DUVALL, TRUSTEE OF THE DUVALL LIVING TRUST;
9 SALLY DUVALL, TRUSTEE OF THE DUVALL LIVING TRUST; SALLY DUVALL,
10 TRUSTEE OF THE SALLY B. DUVALL IRREVICABLE LIVING TRUST; JOHN
11 GIMPLE; DIANE HICKS; JOHN HICKS; AND RESOLUTE SECURITY GROUP, INC.
12 (hereafter collectively referred to as the "Answering Defendants") by and through their
13 undersigned counsel, Woodburn and Wedge, hereby files this Answer to the
14 Complaint to Avoid Fraudulent Transfers (the "Complaint") filed on January 11, 2018
15 (Docket No. 227) by the Plaintiff, W. Donald Gieseke, Chapter 7 Trustee (the
16 "Trustee") and hereby admits, denies, responds and affirmatively alleges as follows:

17
18 **PARTIES**

19
20 1. Answering Paragraph 1, Answering Defendants admit the allegations
21 contained therein.

22 2. Answering Paragraph 2, Answering Defendants lack information
23 sufficient to form a belief as to the truth of the allegations therein, and on that basis
24 deny the same.

25 3. Answering Paragraph 3, Answering Defendants lack information
26 sufficient to form a belief as to the truth of the allegations therein, and on that basis
27 deny the same.
28

1 4. Answering Paragraph 4, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 5. Answering Paragraph 5, Answering Defendants lack information
5 sufficient to form a belief as to the truth of the allegations therein, and on that basis
6 deny the same.

7 6. Answering Paragraph 6, Answering Defendants lack information
8 sufficient to form a belief as to the truth of the allegations therein, and on that basis
9 deny the same.

10 7. Answering Paragraph 7, Answering Defendants lack information
11 sufficient to form a belief as to the truth of the allegations therein, and on that basis
12 deny the same.

13 8. Answering Paragraph 8, Answering Defendants lack information
14 sufficient to form a belief as to the truth of the allegations therein, and on that basis
15 deny the same.

16 9. Answering Paragraph 9, Answering Defendants lack information
17 sufficient to form a belief as to the truth of the allegations therein, and on that basis
18 deny the same.

19 10. Answering Paragraph 10, Answering Defendants lack information
20 sufficient to form a belief as to the truth of the allegations therein, and on that basis
21 deny the same.

22 11. Answering Paragraph 11, Answering Defendants lack information
23 sufficient to form a belief as to the truth of the allegations therein, and on that basis
24 deny the same.

1 12. Answering Paragraph 12, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 13. Answering Paragraph 13, Answering Defendants lack information
5 sufficient to form a belief as to the truth of the allegations therein, and on that basis
6 deny the same.

7 14. Answering Paragraph 14, Answering Defendants lack information
8 sufficient to form a belief as to the truth of the allegations therein, and on that basis
9 deny the same.

10 15. Answering Paragraph 15, Answering Defendants lack information
11 sufficient to form a belief as to the truth of the allegations therein, and on that basis
12 deny the same.

13 16. Answering Paragraph 16, Answering Defendants lack information
14 sufficient to form a belief as to the truth of the allegations therein, and on that basis
15 deny the same.

16 17. Answering Paragraph 17, Answering Defendants lack information
17 sufficient to form a belief as to the truth of the allegations therein, and on that basis
18 deny the same.

19 18. Answering Paragraph 18, Answering Defendants admit that at all times
20 relevant to the Trustee's Complaint, Arthur Duvall, Trustee of the Duvall Living Trust,
21 was a resident of the State of Nevada.

22 19. Answering Paragraph 19, Answering Defendants admit that at all times
23 relevant to the Trustee's Complaint, Sally Duvall, Trustee of the Duvall Living Trust,
24 was a resident of the State of Nevada.

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1 20. Answering Paragraph 20, Answering Defendants admit that at all times
2 relevant to the Trustee's Complaint, Sally Duvall, Trustee of the Sally B. Duvall
3 Irrevocable Living Trust, was a resident of the State of Nevada.

4 21. Answering Paragraph 21, Answering Defendants lack information
5 sufficient to form a belief as to the truth of the allegations therein, and on that basis
6 deny the same.

7 22. Answering Paragraph 22, Answering Defendants admit that Leon
8 Garicoitz, (former) Trustee of the Garicoitz Family Trust was a resident of the State of
9 Nevada as well as the State of California. Mr. Garicoitz passed away on April 27,
10 Nevada as well as the State of California. Mr. Garicoitz passed away on April 27,
11 2016.

12 23. Answering Paragraph 23, Answering Defendants lack information
13 sufficient to form a belief as to the truth of the allegations therein, and on that basis
14 deny the same.

15 24. Answering Paragraph 24, Answering Defendants lack information
16 sufficient to form a belief as to the truth of the allegations therein, and on that basis
17 deny the same.

18 25. Answering Paragraph 25, Answering Defendants lack information
19 sufficient to form a belief as to the truth of the allegations therein, and on that basis
20 deny the same.

21 26. Answering Paragraph 26, Answering Defendants lack information
22 sufficient to form a belief as to the truth of the allegations therein, and on that basis
23 deny the same.

24 27. Answering Paragraph 27, Answering Defendants lack information
25 sufficient to form a belief as to the truth of the allegations therein, and on that basis
26 deny the same.

1 28. Answering Paragraph 28, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 29. Answering Paragraph 29, Answering Defendants admit that at all times
5 relevant to the Trustee's Complaint, John Gimple was a resident of the State of
6 Nevada.

7 30. Answering Paragraph 30, Answering Defendants lack information
8 sufficient to form a belief as to the truth of the allegations therein, and on that basis
9 deny the same.

10 31. Answering Paragraph 31, Answering Defendants lack information
11 sufficient to form a belief as to the truth of the allegations therein, and on that basis
12 deny the same.

13 32. Answering Paragraph 32, Answering Defendants lack information
14 sufficient to form a belief as to the truth of the allegations therein, and on that basis
15 deny the same.

16 33. Answering Paragraph 33, Answering Defendants admit that at all times
17 relevant to the Trustee's Complaint, Diane Hicks was a resident of the State of
18 Nevada.

19 34. Answering Paragraph 34, Answering Defendants admit that at all times
20 relevant to the Trustee's Complaint, John Hicks was a resident of the State of Nevada.

21 35. Answering Paragraph 35, Answering Defendants lack information
22 sufficient to form a belief as to the truth of the allegations therein, and on that basis
23 deny the same.

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1 36. Answering Paragraph 36, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 37. Answering Paragraph 37, Answering Defendants lack information
5 sufficient to form a belief as to the truth of the allegations therein, and on that basis
6 deny the same.

7 38. Answering Paragraph 38, Answering Defendants lack information
8 sufficient to form a belief as to the truth of the allegations therein, and on that basis
9 deny the same.

10 39. Answering Paragraph 39, Answering Defendants lack information
11 sufficient to form a belief as to the truth of the allegations therein, and on that basis
12 deny the same.

13 40. Answering Paragraph 40, Answering Defendants lack information
14 sufficient to form a belief as to the truth of the allegations therein, and on that basis
15 deny the same.

16 41. Answering Paragraph 41, Answering Defendants lack information
17 sufficient to form a belief as to the truth of the allegations therein, and on that basis
18 deny the same.

19 42. Answering Paragraph 42, Answering Defendants lack information
20 sufficient to form a belief as to the truth of the allegations therein, and on that basis
21 deny the same.

22 43. Answering Paragraph 43, Answering Defendants lack information
23 sufficient to form a belief as to the truth of the allegations therein, and on that basis
24 deny the same.

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1 44. Answering Paragraph 44, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 45. Answering Paragraph 45, Answering Defendants lack information
5 sufficient to form a belief as to the truth of the allegations therein, and on that basis
6 deny the same.

7 46. Answering Paragraph 46, Answering Defendants lack information
8 sufficient to form a belief as to the truth of the allegations therein, and on that basis
9 deny the same.

10 47. Answering Paragraph 47, Answering Defendants lack information
11 sufficient to form a belief as to the truth of the allegations therein, and on that basis
12 deny the same.

13 48. Answering Paragraph 48, Answering Defendants lack information
14 sufficient to form a belief as to the truth of the allegations therein, and on that basis
15 deny the same.

16 49. Answering Paragraph 49, Answering Defendants lack information
17 sufficient to form a belief as to the truth of the allegations therein, and on that basis
18 deny the same.

19 50. Answering Paragraph 50, Answering Defendants lack information
20 sufficient to form a belief as to the truth of the allegations therein, and on that basis
21 deny the same.

22 51. Answering Paragraph 51, Answering Defendants lack information
23 sufficient to form a belief as to the truth of the allegations therein, and on that basis
24 deny the same.

1 52. Answering Paragraph 52, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 53. Answering Paragraph 53, Answering Defendants lack information
5 sufficient to form a belief as to the truth of the allegations therein, and on that basis
6 deny the same.

7 54. Answering Paragraph 54, Answering Defendants lack information
8 sufficient to form a belief as to the truth of the allegations therein, and on that basis
9 deny the same.

10 55. Answering Paragraph 55, Answering Defendants lack information
11 sufficient to form a belief as to the truth of the allegations therein, and on that basis
12 deny the same.

13 56. Answering Paragraph 56, Answering Defendants lack information
14 sufficient to form a belief as to the truth of the allegations therein, and on that basis
15 deny the same.

16 57. Answering Paragraph 57, Answering Defendants lack information
17 sufficient to form a belief as to the truth of the allegations therein, and on that basis
18 deny the same.

19 58. Answering Paragraph 58, Answering Defendants lack information
20 sufficient to form a belief as to the truth of the allegations therein, and on that basis
21 deny the same.

22 59. Answering Paragraph 59, Answering Defendants lack information
23 sufficient to form a belief as to the truth of the allegations therein, and on that basis
24 deny the same.

25 59. Answering Paragraph 59, Answering Defendants lack information
26 sufficient to form a belief as to the truth of the allegations therein, and on that basis
27 deny the same.

1 60. Answering Paragraph 60, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 61. Answering Paragraph 61, Answering Defendants lack information
5 sufficient to form a belief as to the truth of the allegations therein, and on that basis
6 deny the same.

7 62. Answering Paragraph 62, Answering Defendants lack information
8 sufficient to form a belief as to the truth of the allegations therein, and on that basis
9 deny the same.

10 63. Answering Paragraph 63, Answering Defendants lack information
11 sufficient to form a belief as to the truth of the allegations therein, and on that basis
12 deny the same.

13 64. Answering Paragraph 64, Answering Defendants lack information
14 sufficient to form a belief as to the truth of the allegations therein, and on that basis
15 deny the same.

16 65. Answering Paragraph 65, Answering Defendants admit that at all times
17 relevant to the Trustee's Complaint, Resolute Security Group, Inc. was an entity
18 formed and operating under the laws of the State of Nevada.

19 66. Answering Paragraph 66, Answering Defendants lack information
20 sufficient to form a belief as to the truth of the allegations therein, and on that basis
21 deny the same.

22 67. Answering Paragraph 67, Answering Defendants lack information
23 sufficient to form a belief as to the truth of the allegations therein, and on that basis
24 deny the same.

1 68. Answering Paragraph 68, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 69. Answering Paragraph 69, Answering Defendants lack information
5 sufficient to form a belief as to the truth of the allegations therein, and on that basis
6 deny the same.

7 70. Answering Paragraph 70, Answering Defendants lack information
8 sufficient to form a belief as to the truth of the allegations therein, and on that basis
9 deny the same.

10 71. Answering Paragraph 71, Answering Defendants lack information
11 sufficient to form a belief as to the truth of the allegations therein, and on that basis
12 deny the same.

13 72. Answering Paragraph 72, Answering Defendants lack information
14 sufficient to form a belief as to the truth of the allegations therein, and on that basis
15 deny the same.

16 73. Answering Paragraph 73, Answering Defendants lack information
17 sufficient to form a belief as to the truth of the allegations therein, and on that basis
18 deny the same.

19 74. Answering Paragraph 74, Answering Defendants lack information
20 sufficient to form a belief as to the truth of the allegations therein, and on that basis
21 deny the same.

22 75. Answering Paragraph 75, Answering Defendants lack information
23 sufficient to form a belief as to the truth of the allegations therein, and on that basis
24 deny the same.

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1 76. Answering Paragraph 76, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 77. Answering Paragraph 77, Answering Defendants lack information
5 sufficient to form a belief as to the truth of the allegations therein, and on that basis
6 deny the same.

7 78. Answering Paragraph 78, Answering Defendants lack information
8 sufficient to form a belief as to the truth of the allegations therein, and on that basis
9 deny the same.

10 79. Answering Paragraph 79, Answering Defendants lack information
11 sufficient to form a belief as to the truth of the allegations therein, and on that basis
12 deny the same.

13 80. Answering Paragraph 80, Answering Defendants lack information
14 sufficient to form a belief as to the truth of the allegations therein, and on that basis
15 deny the same.

16 81. Answering Paragraph 81, Answering Defendants lack information
17 sufficient to form a belief as to the truth of the allegations therein, and on that basis
18 deny the same.

19 82. Answering Paragraph 82, Answering Defendants lack information
20 sufficient to form a belief as to the truth of the allegations therein, and on that basis
21 deny the same.

22 83. Answering Paragraph 83, Answering Defendants lack information
23 sufficient to form a belief as to the truth of the allegations therein, and on that basis
24 deny the same.

86. Answering Paragraph 86, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

88. Answering Paragraph 88, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

90. Answering Paragraph 90, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

91. Answering Paragraph 91, Answering Defendants admit the allegations contained therein.

WOODBURN AND WEDGE
6100 Neil Road, Ste. 500
Reno, Nevada 89511
Tel: (775) 688-3000

1 92. Answering Paragraph 92, Answering Defendants admit the allegations
2 contained therein.

3 93. Answering Paragraph 93, Answering Defendants admit the allegations
4 contained therein.

5 94. Answering Paragraph 94, Answering Defendants admit the allegations
6 contained therein.

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8 **FACT ALLEGATIONS**

9 95. Answering Paragraph 95, Answering Defendants lack information
10 sufficient to form a belief as to the truth of the allegations therein, and on that basis
11 deny the same.

12 96. Answering Paragraph 96, Answering Defendants lack information
13 sufficient to form a belief as to the truth of the allegations therein, and on that basis
14 deny the same.

15 97. Answering Paragraph 97, Answering Defendants lack information
16 sufficient to form a belief as to the truth of the allegations therein, and on that basis
17 deny the same.

18 98. Answering Paragraph 98, Answering Defendants lack information
19 sufficient to form a belief as to the truth of the allegations therein, and on that basis
20 deny the same.

21 99. Answering Paragraph 99, Answering Defendants lack information
22 sufficient to form a belief as to the truth of the allegations therein, and on that basis
23 deny the same.

24 100. Answering Paragraph 100, Answering Defendants lack information
25 sufficient to form a belief as to the truth of the allegations therein, and on that basis
26 deny the same.
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1 101. Answering Paragraph 101, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 **Wealth Strategies Investment Fund, LLC**

5 102. Answering Paragraph 102, Answering Defendants admit the allegations
6 contained therein.

7 103. Answering Paragraph 103, Answering Defendants lack information
8 sufficient to form a belief as to the truth of the allegations therein, and on that basis
9 deny the same.

10 104. Answering Paragraph 104, Answering Defendants lack information
11 sufficient to form a belief as to the truth of the allegations therein, and on that basis
12 deny the same.

13 105. Answering Paragraph 105, Answering Defendants lack information
14 sufficient to form a belief as to the truth of the allegations therein, and on that basis
15 deny the same.

16 106. Answering Paragraph 106, Answering Defendants lack information
17 sufficient to form a belief as to the truth of the allegations therein, and on that basis
18 deny the same.

19 107. Answering Paragraph 107, Answering Defendants lack information
20 sufficient to form a belief as to the truth of the allegations therein, and on that basis
21 deny the same.

22 108. Answering Paragraph 108, Answering Defendants lack information
23 sufficient to form a belief as to the truth of the allegations therein, and on that basis
24 deny the same.

1 109. Answering Paragraph 109, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 **Connemara Dayton, LLC**

5 110. Answering Paragraph 110, Answering Defendants lack information
6 sufficient to form a belief as to the truth of the allegations therein, and on that basis
7 deny the same.

8 111. Answering Paragraph 111, Answering Defendants lack information
9 sufficient to form a belief as to the truth of the allegations therein, and on that basis
10 deny the same.

11 112. Answering Paragraph 112, Answering Defendants lack information
12 sufficient to form a belief as to the truth of the allegations therein, and on that basis
13 deny the same.

14 113. Answering Paragraph 113, Answering Defendants lack information
15 sufficient to form a belief as to the truth of the allegations therein, and on that basis
16 deny the same.

17 114. Answering Paragraph 114, Answering Defendants lack information
18 sufficient to form a belief as to the truth of the allegations therein, and on that basis
19 deny the same.

20 115. Answering Paragraph 115, Answering Defendants lack information
21 sufficient to form a belief as to the truth of the allegations therein, and on that basis
22 deny the same.

23 116. Answering Paragraph 116, Answering Defendants lack information
24 sufficient to form a belief as to the truth of the allegations therein, and on that basis
25 deny the same.

1 117. Answering Paragraph 117, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 118. Answering Paragraph 118, Answering Defendants lack information
5 sufficient to form a belief as to the truth of the allegations therein, and on that basis
6 deny the same.

7 119. Answering Paragraph 119, Answering Defendants lack information
8 sufficient to form a belief as to the truth of the allegations therein, and on that basis
9 deny the same.

10 120. Answering Paragraph 120, Answering Defendants lack information
11 sufficient to form a belief as to the truth of the allegations therein, and on that basis
12 deny the same.

13 **Wealth Strategies Opportunity Fund, LLC**

14 121. Answering Paragraph 121, Answering Defendants lack information
15 sufficient to form a belief as to the truth of the allegations therein, and on that basis
16 deny the same.

17 122. Answering Paragraph 122, Answering Defendants lack information
18 sufficient to form a belief as to the truth of the allegations therein, and on that basis
19 deny the same.

20 123. Answering Paragraph 123, Answering Defendants lack information
21 sufficient to form a belief as to the truth of the allegations therein, and on that basis
22 deny the same.

23 124. Answering Paragraph 124, Answering Defendants lack information
24 sufficient to form a belief as to the truth of the allegations therein, and on that basis
25 deny the same.

1 125. Answering Paragraph 125, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 126. Answering Paragraph 126, Answering Defendants lack information
5 sufficient to form a belief as to the truth of the allegations therein, and on that basis
6 deny the same.

7 127. Answering Paragraph 127, Answering Defendants lack information
8 sufficient to form a belief as to the truth of the allegations therein, and on that basis
9 deny the same.

10 128. Answering Paragraph 128, Answering Defendants lack information
11 sufficient to form a belief as to the truth of the allegations therein, and on that basis
12 deny the same.

13 129. Answering Paragraph 129, Answering Defendants lack information
14 sufficient to form a belief as to the truth of the allegations therein, and on that basis
15 deny the same.

16 130. Answering Paragraph 130, Answering Defendants lack information
17 sufficient to form a belief as to the truth of the allegations therein, and on that basis
18 deny the same.

19 131. Answering Paragraph 131, Answering Defendants lack information
20 sufficient to form a belief as to the truth of the allegations therein, and on that basis
21 deny the same.

22 132. Answering Paragraph 132, Answering Defendants lack information
23 sufficient to form a belief as to the truth of the allegations therein, and on that basis
24 deny the same.

1 133. Answering Paragraph 133, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 **GraniteRidge at Markleeville, LLC**

5 134. Answering Paragraph 134, Answering Defendants lack information
6 sufficient to form a belief as to the truth of the allegations therein, and on that basis
7 deny the same.

8 135. Answering Paragraph 135, Answering Defendants lack information
9 sufficient to form a belief as to the truth of the allegations therein, and on that basis
10 deny the same.

11 136. Answering Paragraph 136, Answering Defendants lack information
12 sufficient to form a belief as to the truth of the allegations therein, and on that basis
13 deny the same.

14 137. Answering Paragraph 137, Answering Defendants lack information
15 sufficient to form a belief as to the truth of the allegations therein, and on that basis
16 deny the same.

17 138. Answering Paragraph 138, Answering Defendants lack information
18 sufficient to form a belief as to the truth of the allegations therein, and on that basis
19 deny the same.

20 139. Answering Paragraph 139, Answering Defendants lack information
21 sufficient to form a belief as to the truth of the allegations therein, and on that basis
22 deny the same.

23 140. Answering Paragraph 140, Answering Defendants lack information
24 sufficient to form a belief as to the truth of the allegations therein, and on that basis
25 deny the same.

1 141. Answering Paragraph 141, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 142. Answering Paragraph 142, Answering Defendants lack information
5 sufficient to form a belief as to the truth of the allegations therein, and on that basis
6 deny the same.

7 143. Answering Paragraph 143, Answering Defendants lack information
8 sufficient to form a belief as to the truth of the allegations therein, and on that basis
9 deny the same.

10 **Eagle Ridge at Genoa, LLC**

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12 144. Answering Paragraph 144, Answering Defendants lack information
13 sufficient to form a belief as to the truth of the allegations therein, and on that basis
14 deny the same.

15 145. Answering Paragraph 145, Answering Defendants lack information
16 sufficient to form a belief as to the truth of the allegations therein, and on that basis
17 deny the same.

18 146. Answering Paragraph 146, Answering Defendants lack information
19 sufficient to form a belief as to the truth of the allegations therein, and on that basis
20 deny the same.

21 147. Answering Paragraph 147, Answering Defendants lack information
22 sufficient to form a belief as to the truth of the allegations therein, and on that basis
23 deny the same.

24 148. Answering Paragraph 148, Answering Defendants lack information
25 sufficient to form a belief as to the truth of the allegations therein, and on that basis
26 deny the same.

1 149. Answering Paragraph 149, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 150. Answering Paragraph 150, Answering Defendants lack information
5 sufficient to form a belief as to the truth of the allegations therein, and on that basis
6 deny the same.

7 151. Answering Paragraph 151, Answering Defendants lack information
8 sufficient to form a belief as to the truth of the allegations therein, and on that basis
9 deny the same.

10 **Connemara Park, LLC**

11 152. Answering Paragraph 152, Answering Defendants lack information
12 sufficient to form a belief as to the truth of the allegations therein, and on that basis
13 deny the same.

14 153. Answering Paragraph 153, Answering Defendants lack information
15 sufficient to form a belief as to the truth of the allegations therein, and on that basis
16 deny the same.

17 154. Answering Paragraph 154, Answering Defendants lack information
18 sufficient to form a belief as to the truth of the allegations therein, and on that basis
19 deny the same.

20 155. Answering Paragraph 155, Answering Defendants lack information
21 sufficient to form a belief as to the truth of the allegations therein, and on that basis
22 deny the same.

23 156. Answering Paragraph 156, Answering Defendants lack information
24 sufficient to form a belief as to the truth of the allegations therein, and on that basis
25 deny the same.

1 157. Answering Paragraph 157, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 158. Answering Paragraph 158, Answering Defendants lack information
5 sufficient to form a belief as to the truth of the allegations therein, and on that basis
6 deny the same.

7 159. Answering Paragraph 159, Answering Defendants lack information
8 sufficient to form a belief as to the truth of the allegations therein, and on that basis
9 deny the same.

10 160. Answering Paragraph 160, Answering Defendants lack information
11 sufficient to form a belief as to the truth of the allegations therein, and on that basis
12 deny the same.

13 161. Answering Paragraph 161, Answering Defendants lack information
14 sufficient to form a belief as to the truth of the allegations therein, and on that basis
15 deny the same.

16 **The Ranch At Gardnerville, LLC**

17 162. Answering Paragraph 162, Answering Defendants lack information
18 sufficient to form a belief as to the truth of the allegations therein, and on that basis
19 deny the same.

20 163. Answering Paragraph 163, Answering Defendants lack information
21 sufficient to form a belief as to the truth of the allegations therein, and on that basis
22 deny the same.

23 ///

24 ///

TRG Land Acquisition

164. Answering Paragraph 164, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

165. Answering Paragraph 165, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

166. Answering Paragraph 166, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

167. Answering Paragraph 167, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

168. Answering Paragraph 168, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

169. Answering Paragraph 169, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

170. Answering Paragraph 170, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

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TRG 1 Land Acquisition

171. Answering Paragraph 171, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

172. Answering Paragraph 172, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

173. Answering Paragraph 173, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

174. Answering Paragraph 174, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

175. Answering Paragraph 175, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

176. Answering Paragraph 176, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

177. Answering Paragraph 177, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

178. Answering Paragraph 178, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

1 179. Answering Paragraph 179, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 180. Answering Paragraph 180, Answering Defendants lack information
5 sufficient to form a belief as to the truth of the allegations therein, and on that basis
6 deny the same.

7 181. Answering Paragraph 181, Answering Defendants lack information
8 sufficient to form a belief as to the truth of the allegations therein, and on that basis
9 deny the same.

10 182. Answering Paragraph 182, Answering Defendants lack information
11 sufficient to form a belief as to the truth of the allegations therein, and on that basis
12 deny the same.

13 183. Answering Paragraph 183, Answering Defendants lack information
14 sufficient to form a belief as to the truth of the allegations therein, and on that basis
15 deny the same.

16 **La Paloma Trust**

17 184. Answering Paragraph 184, Answering Defendants lack information
18 sufficient to form a belief as to the truth of the allegations therein, and on that basis
19 deny the same.

20 185. Answering Paragraph 185, Answering Defendants lack information
21 sufficient to form a belief as to the truth of the allegations therein, and on that basis
22 deny the same.

23 186. Answering Paragraph 186, Answering Defendants lack information
24 sufficient to form a belief as to the truth of the allegations therein, and on that basis
25 deny the same.

1 187. Answering Paragraph 187, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 188. Answering Paragraph 188, Answering Defendants admit that (i) the
5 Schedules of Assets and Liabilities referenced was filed in the referenced bankruptcy
6 case; (ii) the Debtor therein listed a claim in the name of La Paloma Trust in the
7 amount of \$83,549; and (iii) La Paloma Trust filed the referenced proof of claim (26-1).

8
9 **Cotton, Driggs, Walch, Kearney & Holley**

10 189. Answering Paragraph 189, Answering Defendants lack information
11 sufficient to form a belief as to the truth of the allegations therein, and on that basis
12 deny the same.

13 190. Answering Paragraph 190, Answering Defendants lack information
14 sufficient to form a belief as to the truth of the allegations therein, and on that basis
15 deny the same.

16 191. Answering Paragraph 191, Answering Defendants admit that Driggs,
17 Walch, Fine, Wray, Puzey & Thompson did file proof of claim 6-1 in the referenced
18 case in the amount of \$616,469.

19
20 **Carole Terry**

21 192. Answering Paragraph 192, Answering Defendants lack information
22 sufficient to form a belief as to the truth of the allegations therein, and on that basis
23 deny the same.

24 193. Answering Paragraph 193, Answering Defendants lack information
25 sufficient to form a belief as to the truth of the allegations therein, and on that basis
26 deny the same.
27
28

1 194. Answering Paragraph 194, Answering Defendants admit that the three
2 proofs of claim referenced therein were filed as indicated.

3 **The Fraudulent 'Ponzi' Scheme**

4 195. Answering Paragraph 195, Answering Defendants lack information
5 sufficient to form a belief as to the truth of the allegations therein, and on that basis
6 deny the same.

7
8 196. Answering Paragraph 196, Answering Defendants lack information
9 sufficient to form a belief as to the truth of the allegations therein, and on that basis
10 deny the same.

11 197. Answering Paragraph 197, Answering Defendants deny the allegations
12 contained therein.

13 198. Answering Paragraph 198, Answering Defendants deny the allegations
14 contained therein.

15
16 199. Answering Paragraph 199, Answering Defendants lack information
17 sufficient to form a belief as to the truth of the allegations therein, and on that basis
18 deny the same.

19 200. Answering Paragraph 200, Answering Defendants lack information
20 sufficient to form a belief as to the truth of the allegations therein, and on that basis
21 deny the same.

22 201. Answering Paragraph 201, Answering Defendants lack information
23 sufficient to form a belief as to the truth of the allegations therein, and on that basis
24 deny the same.

25
26 202. Answering Paragraph 202, Answering Defendants lack information
27 sufficient to form a belief as to the truth of the allegations therein, and on that basis
28 deny the same.

1 203. Answering Paragraph 203, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 204. Answering Paragraph 204, Answering Defendants lack information
5 sufficient to form a belief as to the truth of the allegations therein, and on that basis
6 deny the same.

7 205. Answering Paragraph 205, Answering Defendants lack information
8 sufficient to form a belief as to the truth of the allegations therein, and on that basis
9 deny the same.

10
11 **FIRST CLAIM FOR RELIEF**

12 **Actual Fraudulent Transfer 11 U.S.C. § 548(a)(1)(A)**

13 206. Answering Paragraph 206, Answering Defendants repeat and reallege
14 each and every response to each allegation contained in Paragraphs 1 through 205 of
15 the Complaint as set forth above and incorporates them herein as if set forth in their
16 entirety.

17 207. Answering Paragraph 207, Answering Defendants admit only that
18 Bankruptcy Code Section 548(a)(1)(A) referenced therein speaks for itself. Answering
19 Defendants deny each and every other allegation contained therein.

20 208. Answering Paragraph 208, Answering Defendants lack information
21 sufficient to form a belief as to the truth of the allegations therein, and on that basis
22 deny the same.

23 209. Answering Paragraph 209, and all of its subparts, Answering Defendants
24 lack information sufficient to form a belief as to the truth of the allegations therein, and
25 on that basis deny the same.

SECOND CLAIM FOR RELIEF

**Actual Fraudulent Transfer 11 U.S.C. § 544(b) and
NRS §§112.180.1(a) and 112.210**

210. Answering Paragraph 210, Answering Defendants repeat and reallege each and every response to each allegation contained in Paragraphs 1 through 209 of the Complaint as set forth above and incorporates them herein as if set forth in their entirety.

211. Answering Paragraph 211, and all of its subparts, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

212. Answering Paragraph 212, Answering Defendants admit only that Bankruptcy Code Section 544(b) referenced therein speaks for itself. Answering Defendants deny each and every other allegation contained therein.

213. Answering Paragraph 213, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

214. Answering Paragraph 214, and all of its subparts, Answering Defendants lack information sufficient to form a belief as to the truth of the allegations therein, and on that basis deny the same.

THIRD CLAIM FOR RELIEF

**Constructive Fraudulent Transfer
11 U.S.C. §§ 548(a)(1)(B)**

215. Answering Paragraph 215, Answering Defendants repeat and reallege each and every response to each allegation contained in Paragraphs 1 through 214 of the Complaint as set forth above and incorporates them herein as if set forth in their entirety.

1 216. Answering Paragraph 216, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 217. Answering Paragraph 217, Answering Defendants lack information
5 sufficient to form a belief as to the truth of the allegations therein, and on that basis
6 deny the same.

7 218. Answering Paragraph 218, Answering Defendants deny the allegations
8 contained therein.

9 219. Answering Paragraph 219, Answering Defendants deny the allegations
10 contained therein.

11
12 **FOURTH CLAIM FOR RELIEF**

13
14 **Constructive Fraud**
15 **11 U.S.C. §§ 544(b) and NRS 112.180**

16 220. Answering Paragraph 220, Answering Defendants repeat and reallege
17 each and every response to each allegation contained in Paragraphs 1 through 219 of
18 the Complaint as set forth above and incorporates them herein as if set forth in their
19 entirety.

20 221. Answering Paragraph 221, Answering Defendants lack information
21 sufficient to form a belief as to the truth of the allegations therein, and on that basis
22 deny the same.

23 222. Answering Paragraph 222, Answering Defendants lack information
24 sufficient to form a belief as to the truth of the allegations therein, and on that basis
25 deny the same.

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1 223. Answering Paragraph 223, Answering Defendants lack information
2 sufficient to form a belief as to the truth of the allegations therein, and on that basis
3 deny the same.

4 224. Answering Paragraph 224, Answering Defendants lack information
5 sufficient to form a belief as to the truth of the allegations therein, and on that basis
6 deny the same.

7 225. Answering Paragraph 225, Answering Defendants lack information
8 sufficient to form a belief as to the truth of the allegations therein, and on that basis
9 deny the same.

10 226. Answering Paragraph 226, Answering Defendants deny the allegations
11 contained therein.

12
13 **FIFTH CLAIM FOR RELIEF**

14 **11 U.S.C. § 550**

15 227. Answering Paragraph 227, Answering Defendants repeat and reallege
16 each and every response to each allegation contained in Paragraphs 1 through 226 of
17 the Complaint as set forth above and incorporates them herein as if set forth in their
18 entirety.

19 228. Answering Paragraph 228, Answering Defendants state that no response
20 is necessary as only legal conclusions rather than factual allegations are stated;
21 Answering Defendants deny the remaining allegations contained therein.

22 229. Answering Paragraph 229, Answering Defendants state that no response
23 is necessary as only legal conclusions rather than factual allegations are stated;
24 Answering Defendants deny the remaining allegations contained therein.

25
26
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1 230. Answering Paragraph 230, Answering Defendants state that no response
2 is necessary as only legal conclusions rather than factual allegations are stated;
3 Answering Defendants deny the remaining allegations contained therein.

4 **SIXTH CLAIM FOR RELIEF**

5 **Unjust Enrichment**

6
7 231. Answering Paragraph 231, Answering Defendants repeat and reallege
8 each and every response to each allegation contained in Paragraphs 1 through 230 of
9 the Complaint as set forth above and incorporates them herein as if set forth in their
10 entirety.

11 232. Answering Paragraph 232, Answering Defendants deny the allegations
12 contained therein.

13 233. Answering Paragraph 233, Answering Defendants deny the allegations
14 contained therein.

15 234. Answering Paragraph 234, Answering Defendants deny the allegations
16 contained therein.

17 235. Answering Paragraph 235, Answering Defendants deny the allegations
18 contained therein.

19 236. Answering Paragraph 236, Answering Defendants lack information
20 sufficient to form a belief as to the truth of the allegations therein, and on that basis
21 deny the same.

22 237. Answering Paragraph 237, Answering Defendants deny the allegations
23 contained therein.

24 238. Answering Paragraph 238, Answering Defendants deny the allegations
25 contained therein.

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SEVENTH CLAIM FOR RELIEF

**Objection To / Disallowance of All Claims
11 U.S.C. § 502(a) and (d)**

239. Answering Paragraph 239, Answering Defendants repeat and reallege each and every response to each allegation contained in Paragraphs 1 through 238 of the Complaint as set forth above and incorporates them herein as if set forth in their entirety.

240. Answering Paragraph 240, Answering Defendants state that no response is necessary as only legal conclusions rather than factual allegations are stated; Answering Defendants deny the remaining allegations contained therein.

241. Answering Paragraph 241, Answering Defendants state that no response is necessary as only legal conclusions rather than factual allegations are stated; Answering Defendants deny the remaining allegations contained therein.

242. Answering Paragraph 242, Answering Defendants admit that they have not paid the amount of the Transfers or turned over such property as referenced therein. Answering Defendants deny any liability under 11 U.S.C. § 550.

243. Answering Paragraph 243, Answering Defendants state that no response is necessary as only legal conclusions rather than factual allegations are stated; Answering Defendants deny the remaining allegations contained therein.

244. Answering Paragraph 244, Answering Defendants state that no response is necessary as only legal conclusions rather than factual allegations are stated; Answering Defendants deny the remaining allegations contained therein.

GENERAL DENIAL

Answering Defendants deny generally and specifically, each and every allegation of the Complaint which attributes any liability to the Answering Defendants.

1 To the extent that any allegations in the Complaint have not been specifically admitted
2 or denied, they are hereby denied.

3 **AFFIRMATIVE DEFENSES**

4 1. The Complaint and each and every purported claim for relief therein,
5 fails to state a claim for which relief can be granted in whole or in part against the
6 Answering Defendants;
7

8 2. To the extent the Trustee's claims are based on alleged fraud and/or
9 misrepresentation, they must be dismissed due to the failure to plead those claims
10 with the requisite particularity required by Federal Rule of Civil Procedure 9(b).

11 3. The alleged transfers, to the extent they were actually received by any
12 Answering Defendant, were taken for value and in good faith, and are therefore
13 protected by 11 U.S.C. § 548(c). They are thus not avoidable or recoverable as
14 against such Answering Defendant/s under Sections 548 and 550 of the Bankruptcy
15 Code.

16 4. The alleged transfers, to the extent they were actually received by any
17 Answering Defendant, were taken without actual fraudulent intent. They are thus not
18 avoidable or recoverable as against such Answering Defendant/s under Sections 548
19 and 550 of the Bankruptcy Code.

20 5. Each allegedly avoidable transfer referenced in the Complaint is subject
21 to setoff, recoupment and/or equitable adjustment because Answering Defendants
22 received such transfer in good faith, without knowledge of the alleged fraud, and in
23 payment of an antecedent debt, in whole or in part, and/or on account of obligations
24 incurred and owed by any of the substantively consolidated debtors involved in this
25 proceeding.
26

27 ///

28 ///

8. The Trustee's claims are barred, in whole or in part, by the doctrines of waiver, laches, and/or estoppel.

10. Answering Defendants reserve their right to assert any additional affirmative defense/s as may come known over the course of discovery and other proceedings in this case.

Answering Defendants deny that the Trustee is entitled to any of the requested relief referenced in the Complaint and denies any allegations in Paragraphs A through G of the prayer for relief contained in the Complaint.

1. That the Trustee take nothing by way of his Complaint, and that the same be dismissed with prejudice;

11

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2. For costs and attorney's fees incurred in the defense of this action; and
3. For such other and further relief as the Court may deem proper.

DATED this 25th day of May, 2018.

WOODBURN and WEDGE

By 

SETH J. ADAMS, ESQ.

Attorneys for Arthur Duvall, Trustee of the
Duvall Living Trust; Sally Duvall, Trustee of the
Duvall Living Trust; Sally Duvall, Trustee of the
Sally B. Duvall Irrevocable Living Trust;
Leon Garicoitz, Trustee of the
Garicoitz Family Trust, John Gimple; Diane
Hicks; John Hicks; and Resolute Security
Group, Inc.